

December 14, 2010

The Honorable Mary Nichols
Chair
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Dear Chair Nichols,

The undersigned organizations appreciate the opportunity to comment on the Rulemaking to Consider Amendments to the Regulation for Mandatory Reporting of Greenhouse Gas Emissions. Our organizations represent farmers and livestock producers who are committed stewards of our state's natural resources.

Our organizations are specifically concerned about proposed amendments to the California Mandatory Reporting Rule (CAMRR) that would fundamentally alter the definition of a greenhouse gas emissions source by aligning the CAMRR with the U.S. EPA Mandatory Reporting Rule (USMRR) established last year, now codified as 40 CFR §98.

Even though strong objections were expressed by the livestock industry, U.S EPA included fugitive greenhouse gas emissions from manure management systems as a covered source and requires owners of livestock operations who exceed 25,000 MTCO₂E to report emissions from livestock manure.

Using emission factors generated by U.S. EPA, dairies with a herd larger than 3,200 cows and feedlots housing more than 29,300 head of cattle would be subject to the USMRR because they exceed the 25,000 MTCO₂E threshold. This represents a significant portion of cattle feeders and dairy farmers in California, who would now be subject to the CAMRR and potentially the regulation as a capped facility. Staff is also proposing to lower the threshold to 10,000 MTCO₂E which would have the potential of including feedlots housing roughly 12,000 head of cattle or dairies with a herd of roughly 1,200 cows which represents an even greater portion of the California livestock industry.

Throughout ongoing discussions with you, members of the board and staff during the development of the CAMRR, Scoping Plan and now the proposed greenhouse gas cap regulation, it has been clearly stated that it is not ARB's intent to regulate farmers and ranchers. In line with this notion, Assembly Bill 32 (Nunez, 2006) implementation efforts have been focused on reducing non-fugitive greenhouse gas emissions from large industrial sources, primarily emissions generated through fossil fuel combustion. However, the currently proposed amendments to the CAMRR would effectively bring production agriculture under the CAMRR and potentially the regulation. The livestock industry opposed the inclusion of emissions from manure in the USMRR because emissions from livestock and manure are

biogenic and part of the natural digestive process of the animal. Unlike non-fugitive emissions resulting from fossil fuel combustion, in most cases emissions from live animals and manure cannot be effectively controlled in comparison to retrofit systems installed on combustion machinery.

Therefore, we respectfully request ARB exempt livestock emissions from the CAMRR by amending the current proposal to exclude aligning the CAMRR with section JJ (Manure Management) of the USMRR. Our organizations recommend that ARB revise the proposed regulation of the CAMRR using the following language to ensure emissions from livestock and manure are not included in the final amended version of the CAMRR:

§ 95101. Applicability.

(f) Exclusions. This article does not apply to, and reporting greenhouse gas emissions reporting is not required for:

(6) Emissions from livestock manure management systems defined in 40 CFR §98 Subpart JJ - §98.360.

Revising language in the proposed amendments to the CAMRR to ensure emissions from livestock and manure at dairies, feedlots, swine and poultry farms is extremely important to ensure that the CAMRR, and correspondingly, the regulation does not target farmers and ranchers who without a doubt will be unable to bear the costs associated with a regulation crafted for large industrial facilities.

We appreciate your willingness to work with the livestock industry collectively to address this concern prior to the board hearing. Should you or your staff have any questions, please don't hesitate to contact Justin Oldfield with the California Cattlemen's Association at 916-444-0845.

Sincerely,

**ALLIANCE OF WESTERN MILK PRODUCERS
ASSOCIATION OF CALIFORNIA EGG FARMERS
CALIFORNIA CATTLEMEN'S ASSOCIATION
CALIFORNIA DAIRY CAMPAIGN
CALIFORNIA FARM BUREAU FEDERATION
CALIFORNIA GRAIN AND FEED ASSOCIATION
CALIFORNIA POULTRY FEDERATION
WESTERN UNITED DAIRYMEN**